Product Promotion Plan

September 28 - November 6, 1970

1002351043

Source: https://www.industrydocuments.ucsf.edu/docs/ltxk0000

PRODUCT PROMOTION PLAN
SEVENTH SALES CYCLE

MANAGEMENT ACCOUNTS
(SELL-IN SEPTEMBER 7 - SEPTEMBER 25:
SELL THROUGH SEPTEMBER 28 - OCTOBER 16, 1970)

RETAIL
SEPTEMBER 28 - NOVEMBER 6, 1970

During the seventh sales cycle, the major efforts of the field sales force will be to support the following brands:

Benson & Hedges 100's	-	Primary Brand
Multifilter	-	Secondary Brand

Prepare a program for each level of your sales organization, using the following elements:

BENSON & HEDGES 100's

Benson & Hedges 100's sales have responded very well to our past promotional efforts. These have played an important part in increasing Benson & Hedges sales at a rate greater than any other 100 mm cigarette. Our objective is clear: To maintain and accelerate this growth during the remainder of 1970. Our consumer oriented promotion during this period is designed to assist you in doing just that.

BENSON & HEDGES 100 MINUTES OF MUSIC

Consumers will be offered an album of two 12" stereo long playing records for only $3.00 and two bottom panels from Benson & Hedges packages, or two eight track tape cartridges for only $5.00 and two bottom panels. The 100 Minutes of Music (one hour and forty minutes) album features thirty-two top recording artists doing thirty-two best selling songs, each a full length and original recording. The music selected for this album covers the entire spectrum of contemporary music with no extremes in either direction. The records are of very high quality, produced and labelled by Columbia Records exclusively for this promotion. This is an $8.50 value.

Management Accounts

Area Managers will take advantage of the excellent record promotion and Benson & Hedges 100's sales success to:

- Review movement at every account, insuring that adequate inventory is available at all times.
- Establish or make necessary adjustments in Benson & Hedges standing orders.

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MULTIFILTER

Multifilter is showing very favorable sales trends. A 21% increase in sales gives us a strong contender in hi-fi category. We will continue our full advertising program and further support this brand with a timely consumer offer. The ecology oriented consumer offer will be a "Free" plastic litter bag with the purchase of a package of Multifilter or Multifilter Menthol. Specially designed counter selling units will be used for this program.

Management Accounts

The recent upswing in Multifilter sales has caught many dealers unaware, therefore inventories have not been increased in relation to sales. Area Managers must improve chain and distributor inventories to insure availability at the retail level. In their headquarter contacts they must:

- Make certain that every buyer is well aware of the rapid sales increase of Multifilter and Multifilter Menthol.
- Close any remaining distribution gaps of either or both packings.
- Insure that carton rack plan-o-grams provide sufficient facings for Multifilter.
- Review all standing orders and upgrade where necessary.
- Order additional quantities to insure availability for the retail activities.
- Continue to gain additional columns for Multifilter in vending machines.

Retail

Retail support of the "Free Litter Bag" offer will be as follows:

- Non-direct buying retailers will be offered a twenty package selling unit consisting of two cartons of Multifilter (1 Filter - 1 Menthol). Limit - two cartons per store. Offer 10% gratis. Prepack unit prior to each call with cigarettes and twenty-five litter bags. Gratis is to be charged in the usual manner as per attached sample voucher.
- Additional quantities of Multifilter and Multifilter Menthol are to be ordered in every call.

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- Insure adequate facing for Multifilter and Multifilter Menthol on all carton and package fixtures. Properly label each column.

- Special efforts are to be made to switch sell all 80/85 mm smokers to Multifilter or Multifilter Menthol. Again added training by demonstration must be provided to achieve full results.

SUPPLEMENTARY ACTIVITIES

Management Accounts

The Multifilter distributor program will have been completed by the end of September. Area Managers-Distributor Sales must follow through with participating distributors to make certain that all forms are submitted to New York at the proper time. You must control this activity to insure prompt forwarding of reports.

Area Managers should also continue to enlist the support of all distributor salesmen to maintain the increased distribution achieved through this drive.

Based on the number of requests for Carton Fixture Studies, Business Reviews, and other presentation material, Area Managers are using these to good advantage. Make certain that these activities are continued and further instructions in the proper use of these materials are given where needed.

Section Sales Managers and Division Managers must continue to exert special attention to the understanding and implementation of all programs and activities currently in effect. It is essential that this be accomplished through a continuous program of demonstration and measurement of results. This requires more time be made available by them to be spent with their field associates.

Retail

The retail sales team's contribution is an extremely important one to our total marketing efforts. In 1971 they will assume an even greater role. All field activities must now be geared to prepare our salesforce for their added responsibility. You and your section sales managers must establish as your first priority to build the best qualified, best trained, and best motivated sales organization in the industry. We at headquarters are making every effort to supply you with the best tools, information, and programming possible. All of these things are of little value unless properly utilized at the retail level.

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In addition to the basic selling techniques other things to be included in the salesmen's training program are establishing and maintaining accurate records, thorough knowledge of company and products, as well as complete adherence to in-store and consumer missions.

MILITARY

Our responsibility in the military is one directed toward total corporate business. Vast improvements can be made in this area. Some elements to be included in your program for military representatives and others having military responsibility are:

- From now through the end of 1970, consumer military incentive displays are to feature only Parliament, all packings. This is necessary in order to increase Parliament sales and exposure in the military.

- Make certain that the new General Products sample case is being used properly and all items are being reviewed with buyers. Insist on thorough coverages, presentations, and merchandising of the General Products line as well as cigarettes.

- Continue to solicit orders for the Personna - N.F.L. Playing Card Promotion # M.W. 11 until its withdrawal date of September 30.

- Make presentations for the Speak Easy Military Offer # M.W. 59.

- Promote the Gem Offers # M.W. 408 and M.W. 408-A.

- Clark Gum sales in the military have not kept pace with national sales. Additional effort must be expended to improve our distribution, inventory and exposure. Review your distribution figures and establish specific objectives for men calling on the military.

GENERAL

In "The Maxwell Report" published August 1, 1970 by Oppenheimer & Company, John C. Maxwell reported Philip Morris in the second quarter became the third largest tobacco company in the United States. This is quite a feat for a company that was in sixth place as recently as 1963. This is indeed encouraging news and certainly a tribute to our entire organization.

We cannot permit any possibilities of complacency to "Set-In". We are confident you share our pride in our accomplishments as well as our confidence in our collective abilities to achieve our future goals.

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We are now rapidly approaching the end of the third quarter which is an opportune time to review the objectives of your region and the degree of attainment. After this status evaluation you will be in a better position to determine what adjustments may be needed. It is also the time to start formulating plans for 1971 as it will surely represent a period of challenge as well as opportunity.

Please forward two copies of your instructions to this office.

J.P. Jeb Lee

JPJL/lms.

Atts.

100235104

Source: https://www.industrydocuments.ucsf.edu/docs/ltxk0000

POINT-OF-SALE KIT

PRODUCT PROMOTION PLAN

SEPTEMBER 28 - NOVEMBER 6, 1970

DISPLAY MERCHANDISERS	SLSMN	DM
Benson & Hedges 100's 20-pack counter selling unit	125	50
Benson & Hedges 24-pack merchandiser	100	100
Multifilter 20-pack counter selling unit	100	50
TOTAL DISPLAY MERCHANDISERS	325	200

CARDS		
Benson & Hedges 100's Change Tray Strip	25	25
Benson & Hedges Plastic Display Header	100	50
Benson & Hedges Plastic Display Strip	125	100
Multifilter regular shelf strip	125	100
TOTAL CARDS	375	275

NOT ACCOUNTABLE ON DAILY WORK RECORD		
Coupon Pads	300	300
Litter Bags	2,500	1,250
Daily Work Record	2	-
Retail Order Pads	2	1
Masking Tape	1	1

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Form # 1229 Rev. 8/69
P. M. U. S. A.

PHILIP MORRIS U. S. A.

SALESMAN'S EXPENSE VOUCHER

DRAFT NO. ← FILL IN | DO NOT WRITE HERE → GROUP | SALESMAN'S NUMBER

SALESMAN'S NAME (PRINT) | WEEK ENDING (SATURDAY) 19

HEADQUARTERS (CITY-STATE) | TERRITORY CODE | REGION NO. | SECTION NO.

Receipts must be attached to duplicate copy which is mailed to immediate superior for all expenses. Such receipts must be on Certified Bill Head showing date, items purchased and value, and must be signed by the person receiving payment.

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	TOTAL	Acct. Code
Hours Worked									FOR OFFICE USE ONLY
Explanation: Time Not Worked									
Town and State Where Expenses Were Incurred									
Personal And Other Expenses									
Room									
Meals									
Telephone, Telegrams, Postage									
Transportation Paid By You (other than company car)									
Personal Smokes									
Supplies - Office, Etc.									
°									
Total Personal and Other Expenses									
Samples									
Switch Sampling									
Samples - Other (Specify)									
Incentive Promotions									
Dealer Incentives BENSON & HEDGES 100's									
No. Cartons Sold		XXX		Total Cost of Gratis @ Wholesale				XXXX	
~~Consumer Incentives~~									
No. Cartons Sold		XXX		Total Cost of Gratis @ Wholesale				XXXX	
No. Gratis Packs Sold		XXX							

MERCHANDISING PROGRAM EXPENSES
SHOW TOTALS FROM PERFORMANCE
REPORTS - LOCAL PROMOTIONS

WEEKLY TOTALS PLANS A & C (FORM #1762)		
WEEKLY TOTAL PLANS B & B-1 (FORM #1763)		

SHOW AIR TRAVEL CARD CHARGES SEE INSTRUCTIONS #12

TRIP DATE	TICKET NO.	ORIGIN	DESTINATION	AMOUNT
				$

TOTAL EXPENSES ABOVE		
AUTO EXPENSE (FROM AUTO EXPENSE STATEMENT)		
TOTAL EXPENSE		

Comments:

SIGNATURE | ADDRESS | CITY | STATE | ZIP CODE

Duplicate - Mail To Immediate Superior

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Source: https://www.industrydocuments.ucsf.edu/docs/nxko0000

SPECIAL SALES PROGRAM

SUPERMARKET COVERAGE

Weeks of September 28 & October 5, 1970

10023510S2

Source: https://www.industrydocuments.ucsf.edu/docs/ltxk0000

BACKGROUND

The growth of Philip Morris brands and our rapidly increasing market share has focused much attention to the corporation, not only in the cigarette industry but in the entire business community. The phenomenal growth of our major brands has prompted a great deal of analysis of our programs and activities. It is very encouraging to receive this deserved praise, however, some of the luster is taken off when we consider one area that is badly in need of improvement - Supermarkets.

From your field reports, as well as from personal observations, it is evident that there are many out-of-stock situations on our major brands during peak buying hours. Having a reserve supply in the stock room is not the total solution to this problem. This merchandise must be available to the consumer during this critical time.

You have all been involved in various programs to gain additional needed facings. As our business continues to grow, however, our need for increased exposure, inventory and facings becomes more acute.

That is the reason that we have decided to carry out, at this time, a broad-based coverage of supermarkets.

This coverage is designed to take up the amount of time during the two week period, beginning September 28, that is required to cover all supermarkets in each retail territory. (See instructions below regarding activity after completion of supermarket coverage.)

SELLING TO THE SUPERMARKET

A four-page brochure and fact sheet insert has been developed for use in every supermarket call made. You will receive a quantity of both to be used during this special coverage. Follow exact instructions in the use of this sales tool.

The first step upon entering the call will be to gain permission to take a complete carton inventory, on the rack, as well as any reserve. This inventory is to be recorded in the top section on the back page of the brochure. (See copy attached).

The next step is to get the manager and the ordering clerk together to review the brochure. The cover page sets the pace of the presentation by bringing out the excellent growth of Philip Morris products. The center fold then graphically points out four major reasons why out-of-stocks hurt the stores sales and profit. The fact sheet clearly and quickly illustrates the major contribution that cigarettes in general and Philip Morris brands in particular make to sales and dollar return.

The inventory taken earlier is then reviewed with the people involved. The middle section of the back page will be for recording any stock on order and date of receipt. Calculations can quickly be made to determine if this incoming supply will be sufficient for the store's needs. If not, the bottom section will be used to show the quantity of each brand needed to bring inventories up to the desired level.

The key to the whole presentation is the last words on the brochure - Let's Get to the Order Sheet Now. Efforts in this call are not to be considered successful until the order is written in the order guide.

The brochure and fact sheet are to be left behind in every call.

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Source: https://www.industrydocuments.ucsf.edu/docs/ltxk0000

MERCHANDISING THE SUPERMARKET

To insure improved merchandising of our products in supermarkets, it is essential that you carry out the following merchandising activities.

- Secure adequate facing for our brands. Attempt to get our major brands on our contracted shelf. Attempt to place our other brands on a shelf other than our contracted shelf.

- Secure proper position in all package racks for our major brands. Get a full column (at least 10 packages) for Marlboro Box - Marlboro Soft, Benson & Hedges Gold, Benson & Hedges Menthol, Parliament 80's and 85's, Virginia Slims Filter and Menthol. Where possible, also secure space giving at least ten packages for Marlboro and Parliament 100's.

- Place carton and package rack labels to designate and maintain these positions for our brands. A quantity of plastic tag moulding labels is being sent to you for use along with your current shelf labels.

- Solicit the help of the ordering clerk in maintaining at all times adequate inventory on the racks. Needle kits were provided for use as a clerk giveaway during this period and this program presents an opportune time to put them to good use.

ACTIVITIES AFTER YOU COMPLETE YOUR SUPERMARKET COVERAGE

After having completed the coverage of supermarkets in your assignment, you will then revert back to promotional activities on behalf of Virginia Slims and Marlboro. This will be a continuation of sixth sales cycle activities. A review of these activities is:

VIRGINIA SLIMS

- Continue to sell additional quantities to the retailer using 10% gratis. Limit 5 cartons per outlet.

- Prominently merchandise this offer using the 20-pack counter selling unit.

- Place sweepstakes material at every selling station.

- Improve the position and exposure of Virginia Slims on all carton and package racks.

- Switch-sell all female smokers with Virginia Slims.

MARLBORO

- Continue all efforts to promote the Marlboro Stetson Hat offer.

- Using the 20-pack counter selling unit, continue to sell additional quantities to retailer, giving 10% gratis as before.

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MERCHANDISING PROGRAM

Special added attention during the time remaining after you have covered all of your designated supermarkets should also be given to a general improvement of the positioning of merchandising program displays.

In this connection, arrange to contact as many of your Plan B outlets as possible, improving the position of displays, selling in additional merchandise, and placing point-of-sale material. Where possible, you may find it to your advantage to pay retailers for merchandising displays at a time other than that you had originally planned.

Pay particular attention to convenience store outlets where display arrangements are in effect for the purpose of improving display position, determining that the proper product is being dispalyed.

A portion of the remaining time will possibly be used to set up B-1 displays where this activity is applicable.

GENERAL

The fact that we have taken the time from your normal retail activities to conduct this special coverage indicates the importance we have placed on this special program. We now have an opportunity to strengthen our position in these important high volume calls. I am confident that you will make every effort to utilize this valuable time to gain additional inventory, improve product exposure, and to generate additional sales for our products.

Should you have any questions regarding this program, contact your division manager.

J. P. Jeb Lee

JPJL/lms.

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Source: https://www.industrydocuments.ucsf.edu/docs/ltxk0000

MANAGER'S PREPARATION

Within limits of time available, all appropriate field managers must establish plan-o-grams for carton and package racks at each headquarters.

Advance meetings should be held with area managers and division managers to discuss coverage plans. Copies of plan-o-grams and store bulletins are to be furnished to division managers for use by their men.

- Division managers are to insure that all salesmen's call cards and store information are up-to-date.

- Arrangements are to be made to work with newer men as well as those who need further training in calling on this type outlet.

- The retail coverage should be coordinated wherever possible with the placement of B-1 or C displays to eliminate duplication of coverage.

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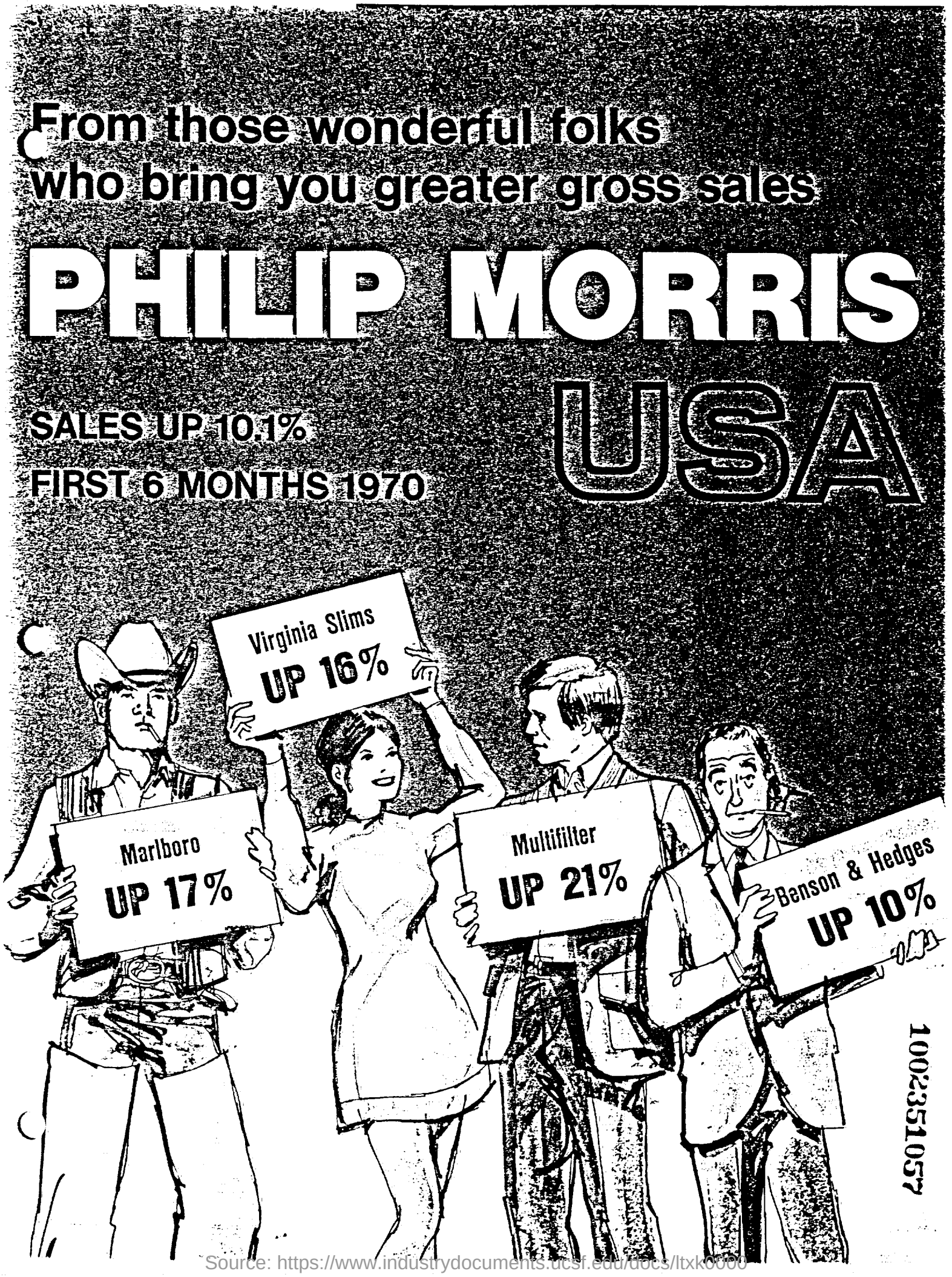

Source: https://www.industrydocuments.ucsf.edu/docs/ltxk0000

PHILIP MORRIS BRANDS SALES ARE UP 10.1%

the fastest growing co in the cigarette industr but..."out-of-stock" can hurt you 4 ways:

OUT-OF-STOCK MEANS:

1. *Loss of gross sales*
2. *Higher labor costs — too-frequent shelf stocking.*
3. *Unhappy customers since 80% of consumers are brand loyal.*
4. *Lost opportunities to sell. Don't permit out-of-stock to create out-of-sales.*

FULL STOCK AT ALL TIMES MEANS:

you cash in on the GROWING SALES of Philip Morris Brands

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MR. MANAGER:

You will want to be aware of the following *facts*—

CIGARETTE FACTS

IT'S A FACT:

- Supermarket cigarette sales will be up 5% in 1970—a $167 million increase.
- Sales of Philip Morris U.S.A. brands through supermarkets account for approximately $530,000,000 annually.

IT'S A FACT:

- Filter cigarette sales account for $2,063,000,000 of supermarket cigarette sales.
- 100MM cigarette sales are increasing at a faster rate than any other segment of cigarette industry.
- 97% of Philip Morris U.S.A. sales are in filter 80-85MM and 100MM cigarettes.

IT'S A FACT:

- The average supermarket sells 690 cartons of cigarettes (all brands) weekly.
- Philip Morris U.S.A. brands contribute an average of $368.00 per week to total supermarket sales. (Based on average weekly sales of $33,000).

IT'S A FACT:

- Supermarkets carry 7,700 items. They carry an average of 63 brands of cigarettes. These 63 brands account for 6.75% of the total supermarket dollar volume.
- Philip Morris U.S.A. brands alone in dollar sales exceed:

All baby foods
All cake—pie mixes
All salad dressings
All baking needs.

Philip Morris U.S.A. is the fastest growing company in the cigarette industry.

Source: Marketing Factors Inc.

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Source: https://www.industrydocuments.ucsf.edu/docs/ltxk0000

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Source: https://www.industrydocuments.ucsf.edu/docs/ltxk0000

Let's take a minute to figure if you're getting all the business you deserve...

Your present stock count of Philip Morris brands is:

	Marlboro	Benson & Hedges	Parliament	Virginia Slims	Multifilter	Alpine
	Red Pack	Regular 100's	Regular	Regular 100's	Regular	
	Red Box					
		Menthol 100's	100's	Menthol 100's	Menthol	
	100's					

When will you receive additional merchandise?
*(day)*_____

Will your current stock last until then?
Yes ☐ *No* ☐

If not, how many should you order today?

ORDER ENOUGH.

Don't lose business or customers!

	Marlboro	Benson & Hedges	Parliament	Virginia Slims	Multifilter	Alpine
	Red Pack	Regular 100's	Regular	Regular 100's	Regular	
	Red Box					
		Menthol 100's	100's	Menthol 100's	Menthol	
	100's					

Let's get to the order sheet now!

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